

## § 19.532

accordance with the regulations in part 252 of this chapter.

(Sec. 311, Tariff Act of 1930, 46 Stat. 691, as amended (19 U.S.C. 1311); sec. 201, Pub. L. 85-859, 72 Stat. 1362, as amended, 1375, as amended, 1382, as amended (26 U.S.C. 5214, 5312, 5373); sec. 3, Pub. L. 91-659, 84 Stat. 1965, as amended (26 U.S.C. 5066); sec. 455, Pub. L. 98-369, 98 Stat. 494 (26 U.S.C. 5214))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-227, 51 FR 13216, Apr. 18, 1986; T.D. TTB-8, 69 FR 3829, Jan. 27, 2004]

### § 19.532 Withdrawals of spirits for use in wine production.

Wine spirits may be withdrawn to a bonded wine cellar without payment of tax for use in wine production. When wine spirits are consigned, the proprietor shall prepare a transfer record according to §19.770. Unless wine spirits in packages are to be withdrawn on the production or filling gauge, the proprietor shall prepare a package gauge record according to §19.769 and attach it to the transfer record.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1362, as amended, 1382, as amended (26 U.S.C. 5214, 5373))

### § 19.533 Withdrawal of spirits without payment of tax for experimental or research use.

Any scientific university, college of learning, or institution of scientific research (which has qualified under the provisions of §19.71 to withdraw spirits from a bonded premises), desiring to withdraw a specific quantity of spirits for experimental or research use, shall file a letterhead application with the appropriate TTB officer of the region in which the applicant's premises are located.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1375, as amended (26 U.S.C. 5312))

### § 19.534 Withdrawals of spirits for use in production of nonbeverage wine and nonbeverage wine products.

Spirits withdrawn without payment of tax may be removed, pursuant to the provisions of part 24 of this chapter, to a bonded wine cellar for use in the production of nonbeverage wine and nonbeverage wine products. (Sec. 455, Pub. L. 98-369, 98 Stat. 494 (26 U.S.C. 5214))

[T.D. 372, 61 FR 20724, May 8, 1996]

## 27 CFR Ch. I (4-1-09 Edition)

### WITHDRAWAL OF SPIRITS FREE OF TAX

#### § 19.536 Authorized withdrawals free of tax.

Pursuant to the regulations in this chapter, spirits may be withdrawn from bonded premises free of tax—

(a) On receipt of a signed photocopy of a permit, issued under part 22 of this chapter, to procure spirits for nonbeverage purposes and not for resale or use in the manufacture of any product for sale, as provided in 26 U.S.C. 5214(a)(3);

(b) On receipt of a signed photocopy of a permit, issued under part 22 of this chapter, to procure spirits by and for the use of the United States or any governmental agency, any State, any political division of a State, or the District of Columbia, for nonbeverage purposes as provided in 26 U.S.C. 5214(a)(2);

(c) On receipt of a valid permit, issued under this part, to procure spirits by and for the use of the United States, under the provisions of 26 U.S.C. 7510, for purposes other than as provided in paragraph (b) of this section and 26 U.S.C. 5214(a)(2);

(d) After being specially denatured—

(1) On receipt of a signed photocopy of a permit to procure specially denatured spirits, issued under part 20 of this chapter.

(2) For export;

(e) After being completely denatured, for any lawful purpose;

(f) When contained in an article.

(Act of August 16, 1954, Ch. 736, 68A Stat. 900 (26 U.S.C. 7510); sec. 201, Pub. L. 85-859, 72 Stat. 1362, as amended (26 U.S.C. 5214))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-199, 50 FR 9160, Mar. 6, 1985]

#### § 19.537 Withdrawal of spirits free of tax.

Spirits withdrawn free of tax under §19.536 (a), (b), or (c) shall be withdrawn in approved containers and shipped to the consignee designated in the permit. Unless the spirits are in cases or are to be withdrawn on the production or filling gauge, the proprietor shall gauge each container. If the spirits are in packages which are to be gauged, the proprietor shall prepare a package gauge record according to §19.769, and attach it to the record of

shipment. For each shipment the proprietor shall prepare a record of shipment (shipping invoice, bill of lading, or another document intended for the same purpose) and forward the original to the consignee, in accordance with §19.779. Bulk conveyances used to transport spirits withdrawn free of tax under this section shall be secured in accordance with §19.96.

(Approved by the Office of Management and Budget under control number 1512-0334)

(Sec. 201, Pub. L. 85-859, 72 Stat. 1362, as amended (26 U.S.C. 5214))

[T.D. ATF-199, 50 FR 9160, Mar. 6, 1985]

**§ 19.538 Withdrawal of spirits by the United States.**

(a) *Nonbeverage use.* (1) Government agencies of the United States, intending to procure specially denatured spirits or spirits free of tax for nonbeverage purposes, shall make application for and receive a permit, Form 5150.33, from the Administrator. Permits may be issued to Government agencies of the United States for:

(i) Withdrawal and use of specially denatured spirits, in accordance with part 20 of this chapter;

(ii) Withdrawal and use of alcohol free of tax for nonbeverage purposes, in accordance with part 22 of this chapter; or

(iii) Importation and use of alcohol free of tax for nonbeverage purposes, in accordance with part 27 of this chapter.

(2) All permits previously issued to Government agencies of the United States for use of spirits or specially denatured spirits on Form 1444 shall remain valid and will be regulated by the same provisions of this chapter as it refers to permits on Form 5150.33.

(3) A Government agency shall forward a signed copy of its permit, Form 5150.33, for retention by the proprietor of the distilled spirits plant for the initial purchase. Subsequent orders with the same vendor shall refer to the permit number.

(4) In the case of a Government agency holding a single permit for use of other sub-agencies, the signed copy of the permit shall contain an attachment listing all other locations authorized to procure spirits under that permit.

(5) For each shipment under this section, the proprietor shall prepare a record of shipment and forward the original to the consignee agency, in accordance with §19.779.

(b) *Beverage use.* (1) Distilled spirits may be withdrawn free of tax, under 26 U.S.C. 7510, for use for beverage purposes by Government agencies of the United States on receipt of a proper Government purchase order signed by the head of the agency, or an authorized delegate.

(2) For each withdrawal under paragraph (b)(1) of this section, each case removed shall be plainly marked "For Use of the United States" in addition to the marks required by subpart R of this part.

(3) For each withdrawal under paragraph (b)(1) of this section, the proprietor shall prepare a record containing the information required by §19.761 for a record of tax determination. The proprietor shall mark this record "Free of Tax For Use of the United States."

(Act of August 16, 1954, Ch. 736, 68A Stat. 900 (26 U.S.C. 7510); sec. 201, Pub. L. 85-859, 72 Stat. 1370, as amended, 1375, as amended (26 U.S.C. 5271, 5313))

[T.D. ATF-199, 50 FR 9160, Mar. 6, 1985, as amended by T.D. ATF-479, 67 FR 30798, May 8, 2002]

**§ 19.539 Disposition of excess spirits.**

Upon discontinuance of use of spirits or specially denatured spirits withdrawn free of tax under §19.538, a Government agency may dispose of excess spirits (a) to another Government agency (the receiving agency is required to have a permit under part 20 or 22 if the spirits were withdrawn for nonbeverage purposes), (b) by returning the spirits to the proprietor of a distilled spirits plant, or (c) in any manner authorized by the appropriate TTB officer. In no case may such spirits be disposed of to the general public, or otherwise than as provided in this section.

(Act of August 16, 1954, Ch. 736, 68A Stat. 900 (26 U.S.C. 7510); sec. 201, Pub. L. 85-859, 72 Stat. 1370, as amended, 1375, as amended (26 U.S.C. 5271, 5313))

[T.D. ATF-199, 50 FR 9161, Mar. 6, 1985]